HOUSE BILL REPORT HB 1091

As Reported by House Committee On:

Technology & Economic Development

Title: An act relating to the unauthorized interference of ticket sales over the internet.

Brief Description: Concerning the unauthorized interference of ticket sales over the internet.

Sponsors: Representatives Van De Wege, Klippert, Carlyle, Fey, Goodman, Tarleton, Holy, Gregerson, Jinkins, Lytton, Stanford, Orwall, Kirby, Fitzgibbon, Sawyer, Ryu, Riccelli and Morris; by request of Attorney General.

Brief History:

Committee Activity:

Technology & Economic Development: 1/21/15, 1/29/15 [DP].

Brief Summary of Bill

• Establishes the use or sale of software to interfere with or disrupt the operation of ticket sales over the Internet as an unfair or deceptive act under the Washington Consumer Protection Act.

HOUSE COMMITTEE ON TECHNOLOGY & ECONOMIC DEVELOPMENT

Majority Report: Do pass. Signed by 9 members: Representatives Morris, Chair; Tarleton, Vice Chair; Smith, Ranking Minority Member; Fey, Hudgins, Nealey, Ryu, Santos and Wylie.

Minority Report: Do not pass. Signed by 3 members: Representatives Harmsworth, Magendanz and Young.

Staff: Nikkole Hughes (786-7156).

Background:

Ticket Web Robots.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

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Ticket bots or web robots are software programs used to interfere with or disrupt the operation of ticket sales over the Internet or to buy up a substantial portion of the available tickets for later private resale. Interference by ticket bots includes gaining unauthorized priority access to purchasing tickets and reducing access of the general public to online ticket sales at the intended, original price. Commonly affected ticket sales include those for concerts, sporting events, and other entertainment events.

Consumer Protection Act.

The Washington Consumer Protection Act (CPA) declares that unfair and deceptive practices in trade or commerce are illegal. The CPA allows a person injured by an unfair or deceptive practice to bring a private cause of action for damages. The Office of the Attorney General may investigate and prosecute claims under the CPA on behalf of the state or individuals in the state.

Under the CPA, "person" includes natural persons, corporations, trusts, unincorporated associations, and partnerships.

Summary of Bill:

A person may not use or sell software to circumvent, thwart, interfere with, or evade access controls or security measures on a ticket seller's Internet website. A "ticket seller" is a person that makes admission tickets available at an initial presale or sale to the general public, either directly or indirectly.

The use or sale of software to interfere with or disrupt the operation of ticket sales over the Internet is found to be an unfair or deceptive act in trade or commerce and an unfair method of competition for the purposes of applying the CPA.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) What this bill aims to address are the very popular concerts and events that ticket-bot users know will be sold out on the primary market due to demand. The bill will create greater equity and provide greater access among Washington citizens in the process of purchasing tickets. It will stop an unfair and deceptive practice. It will help ticket sellers maintain inventory control over their tickets. Ticket bots simulate a human buying tickets at a much faster rate, which skews not only the primary market, but also the secondary market.

Bots are used to purchase more than 60 percent of the tickets for the most desirable shows. If you're on a legitimate ticket website, you have no way of knowing if you are being outraced by a bot.

(Opposed) None.

Persons Testifying: Josh Labelle, Seattle Theatre Group; Scott Hazelgrove, eBay Inc. and StubHub; and Shannon Smith, Office of the Attorney General.

Persons Signed In To Testify But Not Testifying: None.

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